AMENDED IN ASSEMBLY AUGUST 7, 2014

AMENDED IN ASSEMBLY AUGUST 5, 2013

AMENDED IN ASSEMBLY JUNE 17, 2013

AMENDED IN SENATE MAY 14, 2013

AMENDED IN SENATE APRIL 10, 2013

AMENDED IN SENATE APRIL 2, 2013

SENATE BILL

No. 628

## **Introduced by Senator Beall**

February 22, 2013

An act to add Section 53395.7.5 to the Government Code, relating to local planning. 1374.78 to the Health and Safety Code, relating to health care coverage.

## LEGISLATIVE COUNSEL'S DIGEST

SB 628, as amended, Beall. Infrastructure financing: transit priority projects. Health care coverage: mental health parity: medical surveys. Existing law requires large group, small group, and individual health care service plan contracts to provide covered mental health and substance use disorder benefits in compliance with the provisions of federal law governing mental health parity, no later than January 1, 2015.

This bill, on and after January 1, 2016, would require the Department of Managed Health Care to conduct medical surveys of health care service plans chosen by the Director of the Department of Managed Health Care, as provided, in order to evaluate those plans' compliance with the above requirements. The bill would require the surveys to be

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conducted annually for at least 5 years, and would require the department, from April 1, 2017, to April 1, 2021, inclusive, to provide the Legislature with an annual report on the survey findings, as provided. The bill would also require the department to hire 5 staff members prior to June 30, 2015, to implement these provisions, funded by moneys in the Managed Care Fund. The bill would require all actual reasonable costs incurred by the department for the purposes of the surveys to be paid from the annual assessments imposed on health care service plans.

Existing law establishes the Transit Priority Project Program, and authorizes a city or county to participate in the program by adopting an ordinance indicating its intent to participate in the program and by forming an infrastructure financing district. Existing law requires a city or county that elects to participate in the program to amend, if necessary, its general plan, and any related specific plan, to authorize participating developers to build at an increased height of a minimum of 3 stories within the newly created infrastructure financing district. Existing law exempts from these provisions a city or county that has adopted specified language in its charter, or by ordinance or resolution. Under existing law, a transit priority project that meets specified criteria is designated as a sustainable communities project, and is thus exempt from certain environmental review requirements.

This bill would eliminate the requirement of voter approval for the ereation of an infrastructure financing district, the issuance of bonds, and the establishment or change of the appropriations limit with respect to a transit priority project. The bill would require a city or county that uses infrastructure financing district bonds to finance its transit priority project to use at least 25% of the associated property tax increment revenues for the purposes of increasing, improving, and preserving the supply of lower and moderate-income housing available in the district and occupied by persons and families of moderate-, low-, very low, and extremely low income. The bill would require the district to implement these affordable housing provisions in accordance with specified provisions of the Community Redevelopment Law, to the extent not inconsistent with the provisions governing infrastructure financing districts. The bill would require the adoption of an ordinance that would require the replacement of designated low-income dwelling units, upon their removal from the district, within 2 years of their displacement. The bill would set forth the findings and declarations of the Legislature, and the intent of the Legislature that the development of transit priority

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projects be environmentally conscious and sustainable, and that related construction meet or exceed the requirements of the California Green Building Standards Code.

Vote: majority. Appropriation: no. Fiscal committee: <del>no</del> yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 1374.78 is added to the Health and Safety 2 Code, immediately following Section 1374.76, to read:
  - 1374.78. (a) (1) On and after January 1, 2016, consistent with Section 1380, the Department of Managed Health Care shall conduct medical surveys of health care service plans to evaluate those plans' compliance with Section 1374.76. The surveys shall be conducted annually for at least five years.
  - (2) The director shall determine no fewer than seven of the largest health care service plans to be surveyed each year representing no fewer than 80 percent of covered lives among any of the plans subject to the requirements of Section 1374.76.
  - (b) (1) From April 1, 2017, to April 1, 2021, inclusive, the department shall provide the Legislature with an annual report on the survey findings, including analysis of health care service plan compliance with timely access to services and compliance with cost-sharing and treatment requirements of state and federal mental health parity laws and all rules, regulations, and guidance issued thereunder.
  - (2) The requirement for submitting a report imposed under this subdivision is inoperative on April 2, 2021, pursuant to Section 10231.5 of the Government Code.
  - (3) The report to be submitted pursuant to this subdivision shall be submitted in compliance with Section 9795 of the Government Code.
  - (c) Notwithstanding any other law, the department shall hire five staff members, prior to June 30, 2015, to implement this section, funded through the Managed Care Fund.
  - (d) All actual reasonable costs incurred by the department for the purposes of the surveys of health care service plan compliance with Section 1374.76 shall be paid from the annual plan assessments imposed pursuant to subdivision (b) of Section 1356.

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All matter omitted in this version of the bill appears in the bill as amended in the Assembly, August 5, 2013. (JR11)